

# Macau Gaming Revenue Falls 30 Percent in January

Macau's gaming revenue last month fell 30 percent from January 2008. And its fourth quarter earnings were lower than its first quarter in 2008. That has worried some investors.

China's gambling destination, Macau, has boasted about gaming revenue increases for almost a decade.

But in January, gaming revenue was just over USD 928 million, a drop of 30 percent from last year.

Last year, Macau saw a drop in gaming revenue each quarter for the second, third and fourth quarters, with the fourth quarter earnings being lower than the first.

That was opposite from 2006 and 2007, when fourth quarter earnings were higher than the first quarter in each of those years.

Now some investors fear the gaming revenue may decline further.

Zhonglu Zeng is a professor at Macau Polytechnic Institute. He is an economist and gaming analyst.

He says the downturn is a matter of perspective.

„If you take the view, take the perspective of the investors, then the figure will be a little bit worrisome,“ he said. „Because, if the growth of the market stops or declines a little bit, then their profitability will be affected.“

Macau's gaming revenue has increased year after year. In 2008, despite the downward trend late in the year, it actually rose 31 percent to more than USD 14 billion.

Zeng says Macau's gaming industry is robust, compared to the United States and Australia.

Total gaming revenue in the United States was about USD 94 billion in 2007, about three percent more than the year before.

Zeng says Macau gaming revenue will most likely stabilize in 2009.

He says the global economic crisis and mainland visa restrictions contributed to the slowdown.

Mainlanders used to be able to visit Macau twice a month. But, starting last June, Beijing limited visits to once every three months.

Macau's arrivals increased 11 percent in 2008 from the year before, to 30 million people.

But visitor numbers dropped in December, compared to the same month in 2007, the first decline since June 2003.